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To: The Commission

Re: UTStarcom, Inc. Reply Comments on Spectrum Allocation Below 3GHz, FCC03-16. Dockets ET 00-258, IB 99-81, RM-9911, RM-9498, and RM-10024

UTStarcom, Inc. is a US Corporation based in Alameda, California that is in the business of providing very low cost communications infrastructure to service providers around the world. One of our most popular products is our wireless local loop/limited mobility system marketed as our Personal Access System. Most of our systems are deployed in developing countries and in Mainland China, starting in smaller communities. As a result, UTStarcom has considerable experience with the provision of limited mobility (Mobile Local Loop) and fixed (Wireless Local Loop) systems to support voice and data service. UTStarcom has introduced our limited mobility solution in the United States in primarily fixed wireless PCS applications and, as a result has learned a great deal about US Spectrum Policy, how it differs from policies in other countries, and how that policy leads to a restriction of choices for US consumers and for small operators. UTStarcom appreciates the opportunity to comment in this proceeding and to explain our view of how new and different services could be made available to US consumers by local operators. As in earlier proceedings, UTStarcom continues to be primarily interested in the Unlicensed PCS spectrum between 1910MHz and 1920MHz.

In reviewing comments in this proceeding, one clear point is that essentially all commenters support leaving 1915MHz ~ 1920MHz as Unlicensed PCS spectrum and allowing the operation of Isochronous devices there. UTStarcom, UTAM, and NEC have proposed minor technical rule changes to facilitate deployment of many different types of equipment in that spectrum to facilitate higher capacity Wireless PBX applications as well as to provide small town and local Community Wireless applications based on globally standard technology in harmonized spectrum. UTStarcom urges the Commission to adopt these rule changes immediately to allow for the provision of new services to unserved and underserved populations by local, small operators.

UTStarcom agrees with the minority of commenters that the Commission should also leave 1910MHz ~ 1915MHz unlicensed and adopt the same minor technical rule changes there to allow operation of standard technologies in addition to the variety of proprietary technologies currently in operation in the upper half of the UPCS band, between 1920MHz and 1930MHz. In an environment where the Commission

continues to sing the praises of innovative services offered in Unlicensed Spectrum, it is not at all clear why the Commission would take existing unlicensed spectrum and convert it to licensed spectrum to be used for the same cellular service available to most consumers already.

It is clear, however, that a majority of commenters support pairing the spectrum between 1910MHz and 1915MHz with spectrum between 1990MHz and 1995MHz and creating another “traditional” Cellular license in the PCS band. There is understandable disagreement between parties in that the MDS license holders believe that this windfall should be granted to them in exchange for their existing low value spectrum; Nextel believes that the new PCS licenses should go to them in exchange for their unused, low value spectrum; and others believe that this new “G-Block” PCS license should be auctioned consistent with other PCS licenses to provide more spectrum for existing carriers to provide Cellular equivalent service in dense urban areas.

UTStarcom believes that the best immediate action is to leave the spectrum between 1915MHz and 1920MHz Unlicensed and change the technical rules to allow operation of standard, low power devices for added Wireless PBX applications as well as for Community Wireless applications, consistent with the rule changes proposed by UTStarcom and UTAM in August 2002. The Commission can then observe the deployments of voice services and the possibility of data services in this spectrum and later decide on either leaving the spectrum between 1910MHz and 1915MHz unlicensed and adopting the same rule change or licensing the spectrum. Should a licensed spectrum path be chosen, this approach will also allow for consideration of a new and different licensing approach, possibly similar to that used in Japan, where multiple licenses could be issued for only control channels while most spectrum could be shared by all licensees for traffic and by wireless PBXs. This approach would also facilitate small license geographies that could actually be of use to real small businesses, not supported by or indebted to the national wireless carriers. Creation of three “overlapping” licenses of this type in each county in the United States would result in close to 10,000 new wireless licenses in the hands of still solvent small, innovative businesses, including local independent telephone companies and tribal authorities. Should the Commission wish to facilitate new and different services for the US population, then some new license approach, or continuation of the unlicensed allocation, is necessary. Following the same path with new spectrum that was used for existing PCS licenses will likely end in the same result, specifically Cellular equivalent service, offered by the large national carriers, in Urban areas and along major highways and minimal service in remote towns and rural areas.

UTStarcom urges the Commission to take this opportunity to facilitate new and different services by immediately adopting the minor technical rule change for 25% of the current Unlicensed PCS band, between 1915MHz and 1920MHz to allow operation of Community Wireless Voice networks. UTStarcom further urges the Commission to go on and either extend those new Unlicensed PCS rules to the full

50% of the UPCS band, from 1910MHz to 1920MHz or to create a new type of small geography license to facilitate a new and different service, consistent with services that are available to consumers in other countries at very attractive rates.

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